

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

0 4 — 0 0 3

2. STATE:

HAWAII

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)
MEDICAL ASSISTANCE

4. PROPOSED EFFECTIVE DATE

01/01/04

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 C.F.R. 440.120

7. FEDERAL BUDGET IMPACT:

a. FFY NONE \$

b. FFY NONE \$

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

SUPPLEMENT TO ATTACHMENT 3.1-A AND 3.1-B,
PAGE 3.4

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

SAME

10. SUBJECT OF AMENDMENT:

SUPPLEMENTAL REBATE AGREEMENT

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

AS APPROVED BY GOVERNOR

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

LILLIAN B. KOLLER, ESQ.

14. TITLE:

DIRECTOR

15. DATE SUBMITTED:

2/20/04

16. RETURN TO:

DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION
POLICY AND PROGRAM DEVELOPMENT OFFICE
P. O. BOX 700190
KAPOLEI, HI 96709-0190

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

FEB, 25, 2004

18. DATE APPROVED:

MARCH 10, 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JAN, 1, 2004

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

LINDA MINAMOTO

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR

23. REMARKS:

DIVISION OF MEDICAID & CHILDREN'S
HEALTH

advisory committee to be comprised of medical and pharmaceutical professionals regarding the pharmaceutical drugs that may be placed on a Preferred Drug List.

The State will appoint a Pharmacy and Therapeutics (P&T) Committee consisting of physicians and pharmacists or utilize the Drug Utilization Review (DUR) board in accordance with federal law.

(4) Supplemental Drug Rebate Agreements:

The State is in compliance with section 1927 of the Social Security Act. The state will cover drugs of federal rebate participating manufacturers. The state is in compliance with reporting requirements for utilization and restrictions of coverage. Pharmaceutical manufacturers may audit utilization data. The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification.

The State will negotiate supplemental rebates in addition to the federal rebates provided for in Title XIX. Rebate agreements between the state and a pharmaceutical manufacturer will be separate from the federal rebates.

A rebate agreement between the State and a drug manufacturer for drugs provided to the Medicaid program, submitted to CMS on February 25, 2004 and entitled, State of Hawaii Supplemental Rebate Agreement, has been authorized by CMS.

Supplemental rebates received by the state in excess of those required under the national drug rebate program will be shared with the federal government on the same percentage basis as applied under the national drug rebate agreement.

All drugs covered by the program, irrespective of a supplemental rebate agreement, will comply with the provisions of the national drug rebate agreement.

TN No. 04-003

Supersedes

Approval Date:

MAR 10 2004

Effective Date:

01/01/04

TN No. 03-004